

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES  
HEALTH AND RECOVERY SERVICES ADMINISTRATION  
Olympia, Washington**

**To:** Family Practice Physicians  
Managed Care Plans

**Memorandum No: 05-105 MAA**

**Issued:** December 1, 2005

**Supersedes:** 05-45 MAA

**From:** Douglas Porter, Assistant Secretary  
Health and Recovery Services  
Administration (HRSA)

**For Information Call:**  
(800) 562-3022

**Subject: Modifier Change and Updated Billing Instructions for Family Practice Physicians in Rural Counties, Who Perform Fee-For-Service Maternity Deliveries.**

**Effective for dates of service on and after January 1, 2006**, modifier TN will replace the modifier QB which providers were instructed to use in Memo 05-45 MAA (dated July 26, 2005) for the delivery add-on payment for fee-for-service deliveries in rural counties.

### **What is changing?**

**Effective January 1, 2006**, the Centers for Medicare and Medicaid Services (CMS) will discontinue modifier QB. HRSA is, therefore, instructing providers to use **modifier TN to bill for the add-on payment for fee-for-service deliveries in rural counties**. Providers must follow the criteria listed below when billing:

<b>Dates of Service August 1, 2005 Through December 31, 2005</b>	<b>Dates of Service on or after January 1, 2006</b>
Bill using modifier code QB	Bill using modifier code TN

**Modifier TN:** Rural/Out-of-Service Area

### **Delivery Add-on Payment**

In HRSA's fiscal year 2006 budget, the Legislature appropriated a maternity delivery add-on payment of \$194 per delivery for family practice physicians whose practices are located in rural counties.

Beginning August 1, 2005, delivery add-on payments are limited to those providers detailed above, who bill HRSA directly for fee-for-service deliveries. Premium payments to managed

care plans include funding for the maternity delivery add-on payment effective January 1, 2006. Providers must contact the managed care plans they contract with regarding payment.

HRSA will **not** pay assistant surgeons or co-surgeons the delivery add-on payment. The add-on payment to family practice physicians in rural counties is limited to 1 per client, per pregnancy.

### **How do I bill HRSA for delivery add-ons?**

Family practice physicians must bill by attaching **modifiers** to the appropriate delivery procedure code used for the actual delivery (e.g., 59400 TN).

#### **Normal Delivery plus Rural/Out of Service Area (modifier TN)**

- Bill **using only ONE line of service** (e.g., 59400 TN) to receive payment for BOTH the delivery itself and the rural physician delivery add-on component.

#### **High-Risk Delivery (modifier TG) plus Rural/Out of Service Area (modifier TN)**

- Bill **using only ONE line of service** (e.g., 59400 TG TN) to receive payment for the high-risk add-on component; the rural physician add-on component; **and** payment for the delivery itself.

### **Which Washington Counties are Considered Rural?**

Revised Code of Washington (RCW) 43.160.030 defines a rural county as one with a population density of fewer than 100 persons per square mile. Using population-per-square-mile data from the Office of Financial Management (OFM), **the following Washington counties do not meet the definition of a rural county:**

- Clark;
- Island;
- King;
- Kitsap;
- Pierce;
- Snohomish;
- Spokane; and
- Thurston.

Family practice physicians practicing in a county other than one of those listed above are eligible to bill HRSA for the delivery add-on payment.

## **How do I conduct business electronically with Washington State Medicaid?**

For information on how to conduct business electronically with Washington State Medicaid, go to: <http://wamedweb.acs-inc.com>.

## **How can I get HRSA's provider issuances?**

To obtain DSHS/HRSA provider numbered memoranda and billing instruction, go to the DSHS/HRSA website at <http://hrsa.dshs.wa.gov> (click *the Billing Instructions and Numbered Memorandum* link). These may be downloaded and printed.